



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

March 10, 2009

PowerTek Learning Center  
3826 South Alder Street  
Santa Ana CA 92707

To Whom It May Concern:

RE: **FINAL MONITORING VISIT REPORT** for PowerTek Learning Center – **ET07-0207**

<b>Date of the Visit:</b>	11/3/08
<b>Beginning/Ending Time:</b>	1:30 p.m. – 2:30 p.m.
<b>Date of Last Visit:</b>	3/27/08
<b>Visit Location:</b>	Santa Ana
<b>Persons in attendance:</b>	Roberto Jorasanian, CEO, PowerTek; Alva Santiago, Director of Information Technology Department, PowerTek; Joe Davey, Contract Analyst, ETP
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	12/18/06 – 12/17/08	<b>Agreement Amount:</b>	\$197,540
<b>Training Start Date:</b>	12/27/06	<b>No. to Retain:</b>	140
<b>Date Training must be Completed:</b>	9/18/08	<b>Range of Hours:</b>	24 – 96
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	88

There were no action-items resulting from this visit.

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ETP (05/16/2007)

## **FINAL REPORT SUMMARY:**

### **• HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 1/18/07 and training began on 12/27/06. PowerTek staff reported that all training was completed on 9/30/08, which allows for the 90-day retention period to be completed within the term ending date of the Agreement – 12/17/08. There was one Agreement Modification that added topics to the curriculum and revised the number to retain in Jobs 1 and 4 that was approved by the Regional Office Manager on 4/12/07.

### **• INTERVIEW WITH ROBERTO JORASANIAN AND ALVA SANTIAGO**

Ms. Santiago reported that the biggest barrier PowerTek experienced was obtaining commitments from employers to release trainees for training. In addition, trainees for several employers did not meet the ETP minimum wage requirement after training. Several employers began training with the intention of completing at least 24 hours to qualify for reimbursement but were unable to meet that requirement because of business needs. In one case, the employees of one employer did not meet the ETP minimum wage requirement after completing training, and Ms. Santiago later learned that the employer never intended to meet this requirement. Another set-back for PowerTek was that it had to downsize its operations and move out of its original training facility in Orange County. This eliminated the training agency's ability to provide center-based training altogether.

In discussing ETP's record keeping and online systems, Ms. Santiago reported that she sometimes had difficulty with ETP's tracking system website. She reported that a data entry screen would sometimes disappear in the middle of entering data and would not save the data that was previously entered. Mr. Davey explained that each of the two websites (the Forms and Tracking systems) have an automatic shut off feature that logs users out of the website after 15 or 20 minutes if no data is entered. This may explain why she saw data disappear onscreen. She also reported that correcting trainee enrollment information, such as changing job numbers, was also difficult.

Mr. Davey asked if the loss of PowerTek's training facility at the North Orange County Community Center could have affected the performance of the training project. Ms. Santiago reported that, yes, this was a factor in not being able to perform as well as originally intended.

She reported that the ETP contracting experience was a good one overall and complemented ETP staff for helping PowerTek to endure some difficult circumstances during the term of the Agreement, including Mr. Jorasanian's illness and death shortly after the Agreement concluded.

Ms. Santiago provided Mr. Davey with projected statistics for the closeout of the Agreement. According to ETP records at the time of this report, a total of 40 (31.5% percent of planned retentions) trainees have been retained in employment for a total reimbursement of approximately \$38,562, (19.6 percent of the encumbered amount). ETP records show that \$38,562 was paid, all of which was earned and approved by ETP Fiscal. The closeout invoice was submitted on 10/28/08.

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

Job Number	Number Started Training	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees Completed all Training (in Reten.)	Number of Trainees Completed Retention
1	40	13	11	2	2	2
2	40	0	0	0	0	0
3 – SET FLW	20	0	0	0	0	0
4	27	74	33	41	41	41
Totals:	127	87	44	43	43	43

Statistics above are reported by the Contractor dated 3/10/09

**ATTENDANCE ROSTERS:**

Mr. Davey examined a sample of PowerTek's class/lab rosters (approximately 20 rosters) for 1 Job 1 trainee and 2 Job 4 trainees covering the training period between 9/11/07 to 3/13/08. Each trainee completed the minimum 24 hours of training to be eligible for full reimbursement. He compared the rosters with information on ETP's online class/lab tracking system. Mr. Davey's review verified that the information on the class/lab rosters agrees with the number of hours reported in online class/lab tracking system. His review also validated that the information on the class/lab rosters contains all the information required as specified in Title 22, California Code of Regulations, Section 4442, Record Keeping.

**AUDIT:**

PowerTek will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)

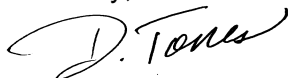
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Joe Davey at (619) 686-1919 or at JDavey@etp.ca.gov, within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager  
San Diego Regional Office



Joe Davey, Contract Analyst  
San Diego Field Office

cc: Alva Santiago, Director of I.T. Dept., PowerTek  
Kulbir Mayall, Manager, Fiscal & Certification Unit  
Master File  
Project File

Date report mailed to Contractor March 10, 2009